

THE CURRENT TAX SYSTEM IN CROATIA

TPA offers an overview of the most important tax innovations. 2022 is bringing changes in the areas of taxes, duties and social contributions in all CEE and SEE countries. This summary covers the essential changes effective as of 2022.

Voluntary Declaration of Foreign Receipts

The Croatian Tax Authorities has invited all Croatian tax residents who have earned income from abroad in this or previous years (salaries, pension, interest on savings, dividends, etc.) to voluntarily declare income via a form entitled "Voluntary declaration of foreign income".

In this case there will be no calculation of late payment interest or imposition of cash penalties.

Croatian Chamber of Commerce Membership Fee

The main amendment to the new Act on the Croatian Chamber of Commerce relates to the membership fee. Taxpayers in Category I. (i.e., companies that do not exceed two of the following three criteria: assets up to HRK 7.5 million, total annual revenues up to HRK 15 million and number of employees up to 50) are no longer obliged to pay membership fees but can opt for voluntary payment.

Companies belonging to II. and III. categories are still subject to membership fees whereby the amount remains unchanged.

Please keep in mind the fact that legislation is subject to frequent change. This newsletter is therefore necessarily based on our understanding and correct interpretation of the law and practice at the time of publication of this newsletter. This newsletter will not be updated due to changes in legislation that occur after the issuance of this letter.